

Industry Partnership Evaluation in Pennsylvania: *What We've Learned...So Far*

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My Not-So-Secret Agenda

- Share information on our Industry Partnership journey to date
- Explain current thinking about how to strengthen our IP evaluation and performance management system
- Get your reaction to our current thinking—since you can be brutally honest

A Broad Definition of “Evaluation”

- Evaluation narrowly is the measurement of the activities of Industry Partnerships and their impact
- We think of evaluation as part of overall performance management, including
 - Funding guidelines and proposal scoring systems
 - Evaluation narrowly defined
 - Capacity building/peer learning for partnerships
 - Industry cluster research

The Pennsylvania IP Story in Brief

- Leading workforce boards engage regional industries after Workforce Investment Act
- Rendell Administration sold in 2003 on concept of Industry Partnerships as way to make workforce programs “do something”
- State defines targeted industries in 2004
- 2005-06 “Job Ready PA” initiative provided \$91 million in new and aligned funds

Four Elements of Job Ready PA

- The foundation—industry-driven training: \$5 million per year for building partnerships
- Enhancing opportunity: more \$ for training in high-demand (“high priority”) occupations, including \$15 million for partnership training
- Vocational education reform—improve academic quality and upgrade career education
- Accountability

Quantitative Outcomes to Date

- More than 60 partnerships active
- 6,300 employers engaged in partnerships
- Over 91,000 incumbent workers and job seekers trained
- 88% of employers satisfied with the program
- 84% of employers report an increase of productivity

Performance Management System for Pennsylvania's Industry Partnerships

- Guidelines/scoring systems
- Evaluation narrowly defined
 - Quantitative outcomes: wage gain, retention by industry cluster
 - Surveys of employers and trainees
 - Industry Partnership High Performance Standards...which was renamed the Industry Partnership Annual Report
- Capacity building
- Industry research

What Do Partnerships Do? Various Views

- Connect training to needs of industry
- Dual customer career building approach: understand business needs to help low-skilled
- Invest in training and networking that makes clusters more competitive and innovative
- Build institutions that help employers and businesses cope with a volatile job market
- Spread high road strategies/HR practices

PA Industry Partnership Guidelines 1

Effective Partnerships can accomplish the following:

- ***Industry Intelligence:*** Develop a deep, thorough and forward-looking understanding of the human capital needs and critical challenges of the industry cluster through the regular interaction of partnership members, trade associations, and industry experts
- ***Deliver Cost-Effective Training that Meets Industry Needs***
 - Identify the training needs of businesses, including skill gaps critical to competitiveness and innovation;
 - Facilitate companies to come together to aggregate training and education needs and achieve economies of scale;
 - Help educational and training institutions align curriculum and programs to industry demand, particularly for higher skill occupations;

PA Industry Partnership Guidelines 2

- ***Dual Customer Career Building--Promote Career Advancement***
 - Inform and collaborate with PA CareerLinks, youth councils, business-education partnerships, parents and career counselors and facilitate bringing employers together to address the challenges of connecting youth to careers;
 - Identification of barriers to entry level employment for workers and youth and strategies to remediate those barriers;
 - Develop new career lattices within and across companies, enabling entry-level workers to improve skills to advance into higher skill, higher wage jobs;
- ***Help Employers and Workers Cope with a More Volatile Job Market:*** Develop new industry credentials that give companies confidence in the skills of new hires and workers more mobility and earning potential across firms; and
- ***Promote Innovation and the Spread of High Road Management Practices***
 - Help companies identify and work together to address common organizational and human resource challenges – recruiting new workers, retaining incumbent workers, implementing high-performance work organization, adopting new technologies and fostering experiential on-the-job learning;
 - Establish communication networks between firms, managers, and workers to promote innovation, potential economies of scale in purchasing and other economic activities, and dissemination of best practices. In some cases, these activities result in the development of new learning collaborative, Centers of Excellence, or joint economic development activity.

PA Capacity Building

- PA Sector Academy: 4 1 ½ day sessions for people with some experience; participants present strategic plan to experts at end
- Industry Partnership “101”—for newbies
- Annual PA WIB Assn practitioner meeting
- Annual best-practice meeting of health care coordinators
- Other occasional sector meetings

PA Sector-Specific Research

- *Workforce Choices* reports
- Reports produced by Statewide Centers (for health careers, advanced manufacturing careers, energy and green careers)
- Training needs assessments and other research by individual partnerships

You're lucky—you've got COWS to help you with this research

Learning 1: Don't Be Too Abstract

- First Annual Report Had The Right Questions
 - ...outcomes for employers
 - ...outcomes for workers
 - ...alignment of other education and training services with industry needs
 - ...partnership governance (employer ownership, sustainability, etc.)
- Many qualitative questions led to lengthy written answers that didn't drive action for results

Learning 2: Don't Focus Just on Short-Term Training/Immediate Needs

- Immediate training needs are not the highest Return-On-Investment (ROI) activities
- Short-term, non-credentialed, industry-, occupation, or firm-specific training should be paid for substantially by employers
- Partnerships become a new form of corporate welfare

Learning 3: Politicization/Tension About the Point of Evaluation

Is evaluation...

1. ...to help Industry Partnerships have a bigger impact on opportunity and competitiveness?
2. ...to keep the money flowing?

Can we reconcile the two goals by

3. ...documenting big impacts on opportunity and competitiveness that sustain the funding?

Learning 4: Evaluation Must Be Part of An Overall Performance Management System

- Original grant guidelines had ambitious aspirations
- But funding decisions perceived to be based on number trained and/or non-transparent criteria
- Capacity building provided some but not enough support for efforts to achieve ambitious goals
- Annual Report (Evaluation) not sufficiently tied to measurable progress on ambitious aspirations

Learning 5: IP Purpose and Sustainability

- If you operate Industry Partnerships as if the whole purpose is to hand out state money for short-term training then...
- ...when the money goes away, the partnership will go away
- Adding value beyond freebies will increase sustainability

Learning 6: The State Should Not Dictate or Micro-Manage

- One tendency—if staff are overstretched—is for state officials to be the “decider” (re: changes in guidelines or the annual report, the capacity building plan etc.)
- But the people with knowledge of how to run partnerships are practitioners
- And the people with most knowledge of industry are leading employers and cluster experts

What do you think your
role should be in
evaluation broadly
defined?

Summing Up: From the Golden Rule to *The Goldilocks Rule*

- One danger (too hot?): being too theoretical/abstract
- Too superficial and short-term (too cold?): why again is the state paying for this training?
- Striving for “just right”

BUT HOW DO YOU GET TO JUST RIGHT?

Cooking the Right Porridge: Current Thinking 1

- Form the Pennsylvania “Industry Partnership Network”—Advisory Group of Leading Practitioners Guides Capacity Building
- Redefine funding guidelines based on back-and-forth with partnership coordinators—orchestrate annual conversation about “what are we trying to accomplish?”
- Allow for sector-specific variation in guidelines—deepen and concretize the conversation

Cooking the Right Porridge: Current Thinking 2

- Develop more advanced, industry cluster-specific benchmarking tools that can capture impact of partnership activities on
 - ...job quality, retention, career advancement, employer investment in training...
 -productivity, quality (lower scrap rates, on-time delivery, etc.), profitability, employer “business strategy,” “competitiveness”
- Take Industry Partnerships and Their Impact to the Next Level—IP 2.0